Date Mailed May 4, 1999

BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of Wisconsin Gas Company, as a Gas Public Utility, for Authority to Construct Facilities And Provide Natural Gas Service in the Towns of Milladore and Sherry, Wood County, Wisconsin

6650-CG-193

NOTICE OF PROCEEDING AND INVESTIGATION AND ASSESSMENT OF COSTS

THIS IS A PROCEEDING to consider the April 16, 1999, application of Wisconsin Gas Company (WGC), as a gas public utility, for authority under Wis. Stat. § 196.49, and Wis. Admin. Code ch. PSC 133, to construct facilities and render natural gas service in the Towns of Milladore and Sherry, Wood County, Wisconsin.

WGC is a gas public utility as defined in Wis. Stat. § 196.01(5), with its principal office at 626 East Wisconsin Avenue, Milwaukee, Wisconsin. WGC is engaged in the business of distributing and selling natural gas in the City of Milwaukee and its suburban areas and in other Wisconsin cities, villages, and towns. WGC presently serves as a natural gas public utility in the immediate vicinity of the new service area requested, including the Village of Milladore.

The Town of Milladore, Wood County, adopted an ordinance on October 5, 1998, granting WGC the authority to provide natural gas service in the Town of Milladore. The Town of Sherry, Wood County, adopted an ordinance on October 14, 1998, granting WGC the authority to provide natural gas service in the Town of Sherry.

The total first-year direct cost of the project is estimated to be \$292,275. Approximately, 23,290 feet of 3-inch plastic main, 20,695 feet of 2-inch plastic main, 5,577 feet of 1 ¼-inch plastic main, and 100 feet of 3-inch steel main would be installed. A total of 64 customers would be served during the first year. The cost estimate does not include joint expense and general administrative overhead. Extensions of service to the proposed customers would be pursuant to the WGC's currently filed Extension of Distribution Facility rules.

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The proposed new installation starts at the end of an existing main in the Village of Milladore, which is about 757 feet east of CTH S in USH 10 (called Main Street in Milladore). From that point 3-inch plastic main would run west approximately 14,266 feet along USH 10 to CTH F in the unincorporated community of Blenker in Town of Milladore. Another 3-inch plastic main would extend west in Cherney Road from the existing Milladore Gate Station to CTH S and then south along CTH S to the proposed 3-inch plastic main along USH 10. Three-inch plastic main would continue south from Blenker along CTH F to the town line. Two-inch plastic main would continue south along CTH F into the Town of Sherry to serve the unincorporated community of Sherry and to serve a commercial customer located approximately 18,500 feet south of Sherry. Two- and 1 ¼-inch plastic mains would be installed in local streets in both the communities of Sherry and Blenker. WGC is planning to directionally bore the SOO line railroad in Blenker and Mill Creek in Sherry.

NOTICE IS GIVEN that the Commission will investigate the application without hearing.

NOTICE IS FURTHER GIVEN that the Commission considers it necessary in order to carry out its duties to investigate the books, accounts, practices and activities of Wisconsin Gas Company, as a gas public utility. The expenses incurred by the Commission which are reasonably attributable to the investigation will be assessed against and collected from Wisconsin Gas Company as a gas public utility, under Wis. Stat. § 196.85 and Wis. Admin. Code ch. PSC 5.

This is a Type III action under Wis. Admin. Code § 4.10(3). No unusal circumstances suggesting the likelihood of significant environmental consequences have come to the Commission's attention. Neither an environmental impact statement under Wis. Stat. § 1.11, nor an environmental assessment is required.

If there are any questions regarding this matter, please contact John R. Vogt, Natural Gas

Division at (608) 267-3374.	C	C	7.1	
Dated at Madison, Wisconsin,				 -
For the Commission:				
Lyndo L. Dorr				
Lynda L. Dorr				
Secretary to the Commission				

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